

W.Va. Investing Policy Is Prudent

Don't start cheering just yet, the head of West Virginia's Investment Management Board cautioned this week after admitting the state made an excellent return on its money during the past fiscal year. Board Executive Director Craig Slaughter is absolutely right.

During the fiscal year that ended June 30, the board's professional investors earned a 21 percent return on invested assets. That came after a 16 percent return the previous year.

That certainly is good news. The board manages about \$12.8 billion in investments, mostly for public employee retirement funds. The better investors do, the better off are retirees and the workers and taxpayers who pay into the pension accounts.

Slaughter is right to caution that, in effect, easy come, easy go. For two years during the recession, the board suffered dismal returns on investment —

far from matching its 7.5 percent target rate.

Officials measure their success in the long term, Slaughter noted. A single year's great success — or loss — means much less than continuing returns at a stable rate.

That approach is reflected in the board's investment strategy. Unlike some "day traders" who try to make killings in the market by taking risks, the board's policy has been one of balanced investments — in for the long haul, so to speak.

In releasing figures for the last fiscal year, Slaughter was quick to point out the stock market has been volatile during recent weeks. This year could be one in which investment returns are below target levels, for that reason.

All the more reason for the board to continue its slow-but-sure policy of growth. That, much more than last year's big gain, reflects well on Slaughter and others on the board.

Don't Be Too Eager For Compromise

Republican leaders in Congress have extended an olive branch to President Barack Obama, in advance of his scheduled speech on job creation Thursday. While they are correct to point out disagreements over some elements of policy should not prevent action on non-controversial items, they should hold fast on the basic principle that the private sector, not government, is the engine that drives the economy.

House Speaker John Boehner, R-Ohio, and House Republican Leader Eric Cantor, R-Va., sent Obama a letter outlining their position. It is vital that "our differences not preclude us from taking action where there is common agreement," they stressed.

Of course. Too often important policy initiatives are held up — or scrapped — because of disputes over other, sometimes unrelated issues. It should go without saying that such gridlock needs to be eliminated.

But Republican leaders

should not bend over too far backward to avoid being labeled obstructionists.

For example, Boehner and Cantor wrote to Obama they might be able to agree on public works projects to provide new jobs under certain conditions.

Obama has in mind a massive new "stimulus" program to create new construction jobs. As we have pointed out, those would be temporary positions, however. Hundreds of billions of dollars in taxpayers' money could be wasted, as they were in the original \$787 billion "stimulus," without really giving the economy a boost.

If Boehner and Cantor are willing to give a little, Obama should be required to scale back his big-spending plan. Again, the best job creation policy is tax and regulatory reform that, in effect, would get government out of the private sector's way. Under no circumstance should GOP leaders alter their stance on that critical point.

ONLINE POLL

Answer at www.news-register.net

Today's poll: Which political party is most capable of coming up with a plan to create jobs?

Democrats: 12% | Republicans: 44%

Neither: 44%

Tomorrow: Who will win the W.Va. governor election?

Obama Needs Strong Performance in Jobs Speech to Congress

After getting his Midwestern pre-campaign bus tour and summer vacation at Martha's Vineyard out of the way, President Obama is getting back to business with a planned speech to Congress this week, unveiling a long-awaited plan to put America back to work. It's way more than time to do so.

Instead of demonstrating the fierce urgency of addressing the task, the president frittered away August by not calling Congress back in special session. In holding off, he stumbled into a ludicrous mini-melodrama with his personal Darth Vader, House Speaker John Boehner, over the date of his speech, again coming up on the short end.

His formal request to address both houses of Congress in the larger chamber tonight, on the first day the legislature is back, was summarily rejected by Boehner. He cited the need to conduct routine opening business in the House that would hinder the

necessary security sweep in advance of a presidential visit.

Like a host with plans to go bowling on the night requested, the speaker offered instead to have Obama drop by the next night. Obama benignly acquiesced, the White House saying he "welcomes the opportunity" to address Congress Thursday night.

The whole song and dance, conveniently disclosed to the news media as the president's request went to Boehner, triggered yet another partisan squabble. Republicans immediately charged that Obama, with a nationally televised event, was attempting to upstage the same night's televised coming-out party of Gov. Rick Perry, debating the other 2012 Republican presidential contenders for the first time this evening.

There was an era when a president of the United States told Congress he was going to address it on a matter of national importance, and that was that. Can any-

one seriously imagine that if Democrat Lyndon Johnson or Republican Ronald Reagan had said he wanted to speak in the House chamber on a certain date, Congress under either party's control would tell him no, and when he could?

There no doubt will be high interest, among conservative voters particularly, in seeing how the late-arriving Perry finally compares and copes with the other GOP hopefuls in the first opportunity to size him up. But presidential debates among the Republicans this season have already begun, and there will be many more in the months ahead. A presidential address to Congress is supposed to be a very special event, taking precedence over any

other political exercise.

All this hullabaloo serves only to put increased pressure on Obama, who has talked the talk about job creation for months now, to walk the walk, producing a different and more substantial action program to tackle the high and lingering unemployment rates across the country.

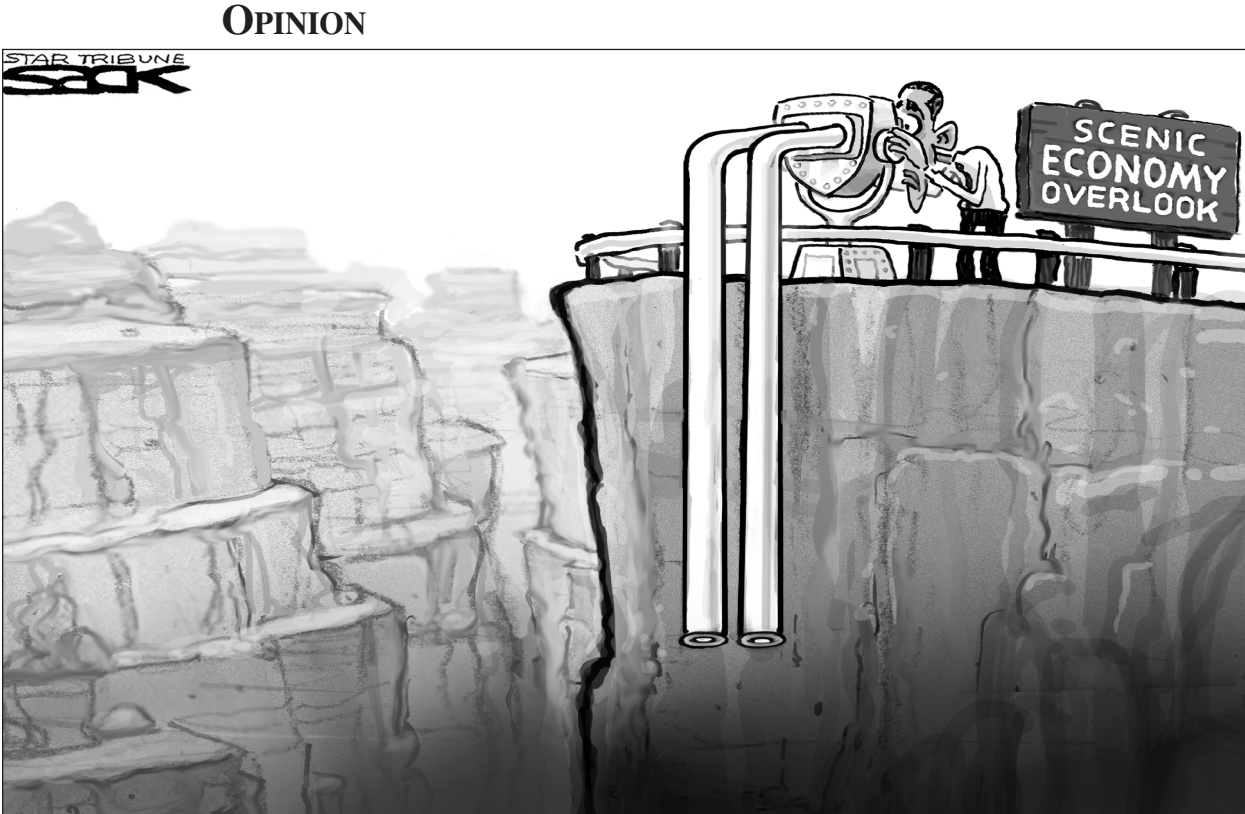
If he merely trots out the unspecific package of a public-works infrastructure construction and repair bank and various tax incentives to business to resume rehiring that has already talked about, he will open himself to a new barrage of criticism. Nor can he afford, before the bipartisan joint session, to cast his appeal in the sharp partisan rhetoric against Republican obstruction in Congress that has marked much of his oratory since the debt-ceiling fiasco, widely read as a cave-in on his part.

The revised schedule for his address gives the Republican presidential candidates one tactical advantage in their next debate

the night before Obama unveils his latest job-creation plans. They can continue their broad-brush attacks on his actions on jobs to date, generally perceived to be ineffective.

At the same time, the debating Republicans may for once focus more on Perry than on Obama. The Texan's rivals will have their first head-to-head opportunity to smoke him out on his controversial views on social and economic issues, and how he handles himself under hostile fire. Perry's rapid rise in the public-opinion polls has already shaken perceptions of the GOP presidential competition.

In all, Obama has a high enough hill to climb, slipping in these surveys, without this latest fiasco over the date of his speech to Congress. Fairly or not, it comes off as engaging with Boehner in petty politics, rather than as a prelude to a major presidential initiative on the desperate jobs front.



Opportunities for Rewarding New Careers Are Available



Hilda Solis

"When I grow up, I want to be a supply chain analyst."

You don't hear these words too often — but I'm hoping that changes fast.

When I was a child, my siblings and I would sit around the kitchen table and tell our parents about the jobs we might hold as adults. My mother bought me a bag with band-aids and a toy thermometer. I wanted to be a nurse.

Radiologic technologist, debit card specialist and, yes, supply chain analyst just weren't common terms back then. But today these jobs — and thousands more — are providing opportunities and hope to people entering or re-entering the workforce.

I know encouraging words can ring false in today's economic climate, but in times like these, knowledge is power. And when headlines like "Layoffs Surge" and "Signs on Economy Are Not Reassuring" make individuals feel powerless, it's vital to know about alternatives and resources.

I'm always thrilled on Labor Day to see Americans celebrate working people's contributions to our nation. During this Labor Day week, I encourage everyone to help spread the word about options and resources for those who are striving so hard to join the workforce.

No matter where I go and who I hear from, American workers tell me, "We need more jobs." I agree. That's why I want every American to know about those industries that are grow-

ing even now and providing much-needed opportunity in the process.

The right knowledge and assistance — especially training — are putting people back to work. In particular, they're a life-line for people who thought they had a secure job and would never have to re-invent themselves.

Consider Sheila Jolley, who discovered a second career in healthcare IT when her customer service job was outsourced to Canada. She would have struggled to find another position in the publishing industry, which is predicted to shrink by nearly 20 percent by 2018. But Sheila knew about possibilities in health care — expected to add 3.2 million jobs by 2018 — and enrolled in a program to learn medical billing and coding.

When Greg Matlock lost a job he'd held for eight years, he enrolled in classes through his local One-Stop Career Center. After graduating with a wind turbine technician certificate, he is now happily re-employed in the recycling industry.

Valerie Ibey, an unemployed mom of two, found work as a machinist. A federally funded education and training program, along with courses through a community college and the company she now works for, gave

her the credentials she needed.

In just one year, Workforce Investment Act Adult and Displaced Worker programs placed 685,000 workers in new jobs. Resources like these are helping workers across the country, including in West Virginia. Did you know there is a One-Stop Career Center in the Wheeling area? See for yourself at www.ServiceLocator.org.

Type "manufacturing" into www.MySkillsMyFuture.org. Yes, manufacturing — where innovative technologies will become high-quality jobs thanks to efforts like the Advanced Manufacturing Partnership. Cooperative efforts across government, business and academia have powered industry growth before and will do so again.

If you'd like to get in on these types of opportunities but are concerned your time and money are too tight, try going to www.CareerOneStop.org/EducationTraining for short-term training programs near you and information about grants, loans and scholarships.

The journey to a thriving workforce starts at America's kitchen tables, with dreams of a better future and jobs we never imagined as children — like medical records technician or energy efficiency engineer. It culminates with the high-quality jobs that will push us out of this recession and into economic leadership for many Labor Days to come.

Solis is the U.S. Secretary of Labor.

Economy, Welfare of Workers Linked

Labor Day is traditionally a time for picnics and parades. But this year was no picnic for American workers, and a protest march would have been more appropriate than a parade.

Not only are 25 million unemployed or underemployed, but American companies continue to cut wages and benefits. The median wage is still dropping, adjusted for inflation. High unemployment has given employers extra bargaining leverage to wring out wage concessions.

All told, it's been the worst decade for American workers in a century. According to Commerce Department data, private-sector wage gains over the last decade have even lagged behind wage gains during the decade of the Great Depression (4 percent over the last 10 years, adjusted for inflation, versus 5 percent from 1929 to 1939).

Big American corporations are making more money, and creating more jobs, outside the United States than in it. If corporations are people, as the Supreme Court's twisted logic now insists, most of the big ones headquartered here are rapidly losing their American identity.

CEO pay, meanwhile, has soared. The median value of salaries, bonuses and long-term incentive awards for CEOs at 350 big American companies surged 11 percent last year to \$9.3 million (according to a study of proxy statements conducted for The Wall Street Journal by the management consultancy Hay Group). Bonuses have surged 19.7 percent.

This doesn't even include all those

stock options rewarded to CEOs at rock-bottom prices in 2008 and 2009. Stock prices have ballooned since then, the current downdraft notwithstanding.

In March 2009, for example, Ford CEO Alan Mulally received a grant of options and restricted shares worth an estimated \$16 million at the time. But Ford is now showing large profits — in part because the UAW agreed to allow Ford to give its new hires roughly half the wages of older Ford workers — and its share prices have responded. Mulally's 2009 grant is now worth more than \$200 million.

Last year, Ford reinstated merit-pay raises and matching 401(k) contributions for its salaried workers, but not hourly workers — further widening the gap between the top and everyone else.

That's in stark contrast to Henry Ford's decision almost a century ago to pay his hourly workers three times what the typical factory employee earned then. He was roundly criticized by other executives, but the founder of Ford Motor knew it was a cunning move. The higher wage turned Ford's autoworkers into customers who eventually could afford to buy the Model Ts they were making.

Henry Ford understood something today's CEOs seem to have lost sight of. Workers are consumers.



Robert Reich

Consumer spending in America is now 70 percent of the U.S. gross domestic product. So when jobs and wages are under assault, Americans cannot keep buying as before. The result is a U.S. economy that has now all but stopped growing.

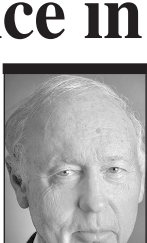
You can get a sense of how lopsided the economy has become when you look at the relationship between corporate profits and wages. Since World War II they have moved in roughly the same direction. When profits have risen, wages have risen as well. When profits have declined, companies have either laid off workers or reduced their hours.

But recently that connection has been broken. Corporate profits have continued to soar, yet big companies have continued to lay off their workers and cut wages and benefits. In fact, the ratio of corporate profits to wages is now higher than at any time since just before the Great Depression.

Corporate profits keep rising because companies are selling abroad while they're simultaneously cutting their labor costs in the United States.

This can't go on indefinitely. The world's biggest economies outside the U.S. — India, China, Europe, Brazil — are all slowing. They have plenty of their own consumers, but they also depend on exports to the United States. Yet American consumers can no longer buy. We've come full circle.

American workers should march in protest. They're getting the worst deal they've had since before Labor Day was invented — and the economy is suffering as a result.



Jules Witcover